

HOUSE BILL No. 1728

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-16-8.

Synopsis: Preference for domestic foundry products. Requires that foundry products produced in the United States must be used in state and local public works projects unless certain conditions apply.

Effective: July 1, 2007.

Niezgodski, Stilwell, Grubb

January 26, 2007, read first time and referred to Committee on Commerce, Energy and Utilities.

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Introduced

First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

HOUSE BILL No. 1728

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 5-16-8-1 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 2007]: Sec. 1. ~~As used in~~ **(a) The definitions**
3 **in this section apply throughout** this chapter.

4 **(b) "Foundry products" means products cast from ferrous and**
5 **nonferrous metals by foundries in the United States.**

6 **(c) "Person"** means a natural person, corporation, limited liability
7 company, partnership, or other business unit or association.

8 **(d) "Public agency"** means:

9 (1) the state of Indiana, its departments, agencies, boards,
10 commissions, and institutions; and

11 (2) county, city, townships, school or conservancy districts, or
12 other governmental units or districts;

13 that let public bids for construction or other public works under Indiana
14 law.

15 **(e) "Steel products"** means products rolled, formed, shaped, drawn,
16 extruded, forged, cast, fabricated, or otherwise similarly processed, or
17 processed by a combination of two (2) or more of such operations, from

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1 steel made in the United States by the open hearth, basic oxygen,
2 electric furnace, Bessemer, or other steel making process.

3 (f) "United States" ~~means~~ **refers to** the United States of America.
4 ~~and The term~~ includes all territory, continental or insular, subject to
5 the jurisdiction of the United States.

6 SECTION 2. IC 5-16-8-2 IS AMENDED TO READ AS FOLLOWS
7 [EFFECTIVE JULY 1, 2007]: Sec. 2. (a) Each public agency shall
8 require that every contract for the construction, reconstruction,
9 alteration, repair, improvement or maintenance of public works contain
10 a provision that, if any steel **or foundry** products are to be used or
11 supplied in the performance of the contract or subcontract, only steel
12 **or foundry** products ~~as defined by this chapter~~ **made in the United**
13 **States** shall be used or supplied in the performance of the contract or
14 any of the subcontracts unless the head of the public agency
15 determines, in writing, that the cost of steel **or foundry** products is
16 ~~deemed considered~~ to be unreasonable.

17 (b) The head of each public agency shall issue rules which provide
18 that, for purposes of subsection (a), ~~of this section~~, the bid or offered
19 price of any steel **or foundry** products of domestic origin is not
20 ~~deemed to be considered~~ unreasonable if ~~it the price~~ does not exceed
21 the sum of:

- 22 (1) the bid or offered price of like steel **or foundry** products of
23 foreign origin (including any applicable duty); plus
24 (2) a differential of fifteen percent (15%) of the bid or offered
25 price of the steel **or foundry** products of foreign origin.

26 However, the fifteen percent (15%) differential provided by ~~clause~~
27 **subdivision** (2) may be increased to twenty-five percent (25%), if the
28 head of the public agency determines that use of steel **or foundry**
29 products of domestic origin would benefit the local or state economy
30 through improved job security and employment opportunity. Whenever
31 the head of a public agency determines that the differential should be
32 increased above fifteen percent (15%) for a particular project, the head
33 of the agency shall file a report with the governor and the legislative
34 services agency detailing the reasons for such determination and the
35 probable impact on the economy of the use of domestic steel **or**
36 **foundry castings** in the project. A report filed under this subsection
37 with the legislative services agency must be in an electronic format
38 under IC 5-14-6.

39 SECTION 3. IC 5-16-8-4 IS AMENDED TO READ AS FOLLOWS
40 [EFFECTIVE JULY 1, 2007]: Sec. 4. ~~The provisions of~~ This chapter
41 ~~do does~~ not apply ~~where~~ if the head of the public agency determines,
42 in writing, that steel **or foundry** products are not produced in the

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- 1 United States in sufficient quantities to meet the requirements of the
- 2 contract.

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